

MEMORANDUM

To: Kent Street, Chairman, Executive Committee

From: Walter S. Willis, Executive Director *WSW*

Subject: February 2009 Meeting Notice Information

Date: February 12, 2009

Attached you will find the agenda for this month's meeting, the minutes from our January 2009 meeting, and the referenced consent, action and/or informational items.

I look forward to seeing you all at this month's meeting.

SOLID WASTE AGENCY OF LAKE COUNTY, IL
EXECUTIVE COMMITTEE
Thursday February 19, 2009 12:00 Noon
1311 N. Estes Street Gurnee, IL 60031

1. CALL TO ORDER.....Chairman Street
2. ROLL CALLSecretary
3. APPROVAL OF MINUTES
January 8, 2009
4. NEW AGENDA ITEMS
5. PUBLIC COMMENT ON AGENDA ITEMS
6. EXECUTIVE COMMITTEE ITEMSChairman Street

Consent

1. Expenditure Report

Action Items

1. Intergovernmental Agreement with Townships
2. Clean Harbors Household Chemical Waste Contract Extension
3. Lincolnshire-Riverwoods Fire District Host Agreement
4. Ordinance approving Highwood as a SWALCO member – Not in packet

Information Items

1. Letter to IEPA regarding Solid Waste Fee Exemptions
2. Legislative Update
3. Project and Program Update
4. Recycling Guidelines Initiative

7. COMMITTEE MATTERS
8. EXECUTIVE SESSION – if needed
9. ADJOURNMENT

MINUTES

SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS EXECUTIVE COMMITTEE THURSDAY JANUARY 8, 2009 12:00 NOON 1311 N. ESTES STREET, GURNEE IL 60031

MEMBERS ATTENDING: Mike Ellis, Ted Mueller, Glenn Ryback, John Norris, Kent Street, Highland Park (Steve Mandel). Staff: Walter Willis, Executive Director; Larry Clark, General Counsel.

CALL TO ORDER

Chairman Street called the meeting to order at 12:00 p.m. with six members present.

APPROVAL OF MINUTES

Motion by Ryback, seconded by Norris to approve the minutes of December 11, 2008. Motion was approved.

PUBLIC COMMENT

None.

NEW AGENDA ITEMS

None.

EXECUTIVE COMMITTEE ITEMS

A. Planning Consultant Recommendation

Mr. Willis stated that the interview of HDR would be first and Shaw would be second.

He stated that at the end of the interviews, the members would use the score sheets provided to deliberate and decide which consultant will be selected.

Mr. Willis stated that the interviews would be ten minutes, fifteen minutes of questions and answers, then ten minutes of discussion per consultant.

Interviews.

HDR - Dave Traeger, Senior Project Manager
Bob Gorski, Project Manager

Shaw Environmental

Christina Seibert, Solid Waste Planner
Phil Kowalski, Principle Planner

Interview

The Committee filled out their score sheets.

Mr. Willis and the Executive Committee members discussed both consultants and compared their criteria relative to solid waste planning in Illinois.

After considerable discussion, Shaw Engineering was chosen by the Committee to be hired to do the five-year update to the Solid Waste Management Plan.

Motion by Highland Park, seconded by Ryback to approve Shaw Engineering as the consultant for the update to the Solid Waste Management Plan. Motion was approved unanimously.

ADJOURNMENT

Motion by Mueller, seconded by Ellis to adjourn. Motion was approved.

SOLID WASTE AGENCY OF LAKE COUNTY (SWALCO)
EXECUTIVE COMMITTEE

COMMUNITY**REPRESENTATIVE****TITLE**

FLYNN		ASSISTANT VILLAGE ADMINISTRATOR
ELLIS	M. Ellis	VILLAGE MANAGER
MUELLER	<i>T. Mueller</i>	MAYOR
RYBACK	<i>John Ryback</i>	MAYOR
NORRIS	<i>John Norris</i>	TRUSTEE
STREET	<i>Karl S. Ent</i>	VILLAGE ADMINISTRATOR
CITY OF HIGHLAND PARK	<i>Steven Mendel</i>	Councilman
LAKE COUNTY		

DATE: 1/8/09

SIGN-IN SHEET

VOTING RECORD

[illegible]

PUBLIC SIGN-IN SHEET

Name

Address

Representing

1.4.1974

2230 EKNIEKHOEBA

VEDULA

Date 1 / 08 / 09

A – 1. Intergovernmental Agreement with Townships

ISSUE: Whether to approve entering into intergovernmental agreements with Ela, Lake Villa and Warren Townships to allow them to participate under the Intermediate Processing Facility Capacity Agreement with WMRA.

RECOMMENDATION: To approve entering into the agreements and sending the signed agreements to the three townships for their deliberation and action.

TIMING: Routine

BACKGROUND: SWALCO's new agreement with WMRA allows townships to be paid for their recyclables much like SWALCO members who direct their recyclables to the Intermediate Processing Facility (IPF) in Grayslake. This agreement is nearly identical to the one entered into by participating SWALCO members. The major difference is a provision that allows SWALCO to withhold up to \$1 per household per year (for each township home included in the franchised service area) from the townships' payment and transfer the money to Lake County. In essence, the townships would reimburse the County for its payment of the O&M fee on behalf of the townships.

ENCLOSED DOCUMENT: Proposed intergovernmental agreement (redline version, showing changes from the agreement with SWALCO members)

STAFF: Walter S. Willis, Executive Director

INTERGOVERNMENTAL AGREEMENT
TOWNSHIP OF _____ AND
THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

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THIS AGREEMENT entered into this ____ day of _____, 2009, by and between the
Township of _____, Illinois (TOWNSHIP) and the Solid Waste Agency of
Lake County, Illinois (AGENCY).

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WITNESSETH:

WHEREAS, the TOWNSHIP is a unit of local government organized and existing under
the laws of the State of Illinois; and

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WHEREAS, the AGENCY is a municipal corporation and public body politic and
corporate of the State of Illinois which was created by Intergovernmental Agreement pursuant to
Section 3.2 of the Intergovernmental Cooperation Act, 5 ILCS 220/3.2 and Article VII, Section 10
of the 1970 Constitution of the State of Illinois; and

WHEREAS, one of the purposes of the AGENCY is to implement the Lake County Solid
Waste Management Plan (PLAN) as adopted by the Lake County Board on September 12, 1989
and amended from time to time thereafter; and

WHEREAS, the AGENCY is authorized by the Intergovernmental Cooperation Act to
plan, construct, reconstruct, acquire, own, lease, equip, extend, improve, manage, operate,
maintain, repair, close and finance waste projects; and

WHEREAS, the AGENCY maintains an Intermediate Processing Facility (IPF) Capacity
Agreement with Waste Management Recycle America, L.L.C. (CAPACITY AGREEMENT)
whereby the AGENCY will receive a Per Ton Payment for the amount of Recyclable Material
directed and delivered to Waste Management Recycle America, L.L.C. by any township in Lake
County, Illinois or its hauler; and

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WHEREAS the TOWNSHIP has directed their hauler to deliver their recyclables to Waste
Management Recycle America, L.L.C.; and

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WHEREAS, the TOWNSHIP has indicated its desire to have its Portion of the Per Ton
Payment provided to them from the AGENCY per the terms of the CAPACITY AGREEMENT
and this Agreement; and

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WHEREAS, the AGENCY will, upon receiving the Per Ton Payment from Waste
Management Recycle America, L.L.C., provide to the TOWNSHIP its Portion of the Per Ton
Payment per the terms of the CAPACITY AGREEMENT and this Agreement.

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NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and
obligations expressed herein and other good and valuable consideration, the sufficiency, adequacy
and receipt of which are hereby acknowledged, IT IS HEREBY AGREED by and between the
parties as follows:

SECTION 1. Incorporation of Recitals. The parties agree that the recitals have been
incorporated by reference into the text of the Agreement as fully set forth herein.

SECTION 2. Definitions.

- A. "Capacity Agreement" means as shown as Exhibit 1 to this Agreement.
- B. "TOWNSHIP Portion of Per Ton Payment" means the amount of recyclables collected from the TOWNSHIP as reported by the TOWNSHIP's hauler. This said amount shall then be multiplied by the quarterly average of the Per Ton Payment.
- C. "Per Ton Payment" means the amount calculated in accordance with the Capacity Agreement and this Agreement. The Per Ton Payment shall be calculated on a quarterly basis based on the composition and market pricing for materials as indicated in Schedule 2 of the Capacity Agreement and as adjusted to reimburse Lake County for its payment of SWALCO's annual Operations and Maintenance Fee on behalf of the TOWNSHIP's households. This adjustment shall be made as follows: for each quarterly payment in a given calendar year a deduction will be made and paid by SWALCO to Lake County in the amount of twenty-five percent (25%) of the total quarterly payment, until such time as the total of the quarterly deductions equals the number of households served by the TOWNSHIP or its hauler times \$1.00 per household. If there are no payments to the TOWNSHIP in a given calendar year or the quarterly payment deductions in a given calendar year do not meet the number of household times \$1.00, the TOWNSHIP shall not be liable for any additional payment to SWALCO or Lake County. In addition, if SWALCO does not collect an Operations and Maintenance fee in a given calendar year, there shall be no quarterly deductions taken from the TOWNSHIP's Per Ton Payment.
- D. "Recyclable Material" means any substance that can potentially be reused as or recycled into a recycled material or recycled product. For purposes of the Capacity Agreement, Recyclable Materials or recyclables include single stream recyclables, commercial recyclables or commingled recyclables and/or paper recyclables, which generally conform to the specifications set forth in the Capacity Agreement, or other materials which the parties by mutual agreement may designate as recyclable material from time to time; provided, however, such materials are not contaminated as defined in the Capacity Agreement.

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SECTION 3. AGENCY Responsibilities:

- A. Maintain a Capacity Agreement with Waste Management Recycle America L.L.C. so to secure for Agency Members adequate capacity for their recyclable material and provide a Per Ton Payment in accordance with section 3.01 of the CAPACITY AGREEMENT.
- B. Provide quarterly reports to the TOWNSHIP on the quantity of Recyclable Materials collected within the TOWNSHIP as reported to the AGENCY by the members' hauler.
- C. Receive and verify the Per Ton Payment as calculated in the terms of the CAPACITY AGREEMENT and deposit all funds into the AGENCY account.
- D. Within thirty (30) days of receiving the Per Ton Payment from the IPF, prepare a check made payable to the TOWNSHIP for its Portion of the Per Ton Payment.

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SECTION 4. TOWNSHIP Responsibilities:

- A. Direct the TOWNSHIP hauler to deliver its Recyclable Material to the IPF in accordance with the terms of the Capacity Agreement.

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- B. Instruct the TOWNSHIP hauler to submit to the Agency on a quarterly basis a Hauler Verification Form as provided in Schedule 3 of Exhibit 1.

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SECTION 5. Term. The term of this Agreement shall commence on January 1, 2009 and shall remain in full force and effect as long as the CAPACITY AGREEMENT remains in full force and effect, but in no case any longer than December 31, 2015.

SECTION 6. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and all prior or contemporaneous agreements, understanding, representations and statements, oral or written, are merged herein. This Agreement may be modified only by written instrument executed by the parties.

SECTION 7. Waiver. No consent or waiver, express or implied, as to any provisions of this Agreement shall constitute a consent or waiver of any other provisions, whether similar or dissimilar, of this Agreement.

SECTION 8. Captions. The captions of this Agreement are inserted for convenience of reference only, and do not define, describe, or limit the scope or intent of this Agreement.

SECTION 9. Notices. Notices to the parties shall be in writing and delivered by personal service or by U.S. certified or registered mail, postage prepaid, to the parties at the following addresses:

If to the Agency:

Executive Director
Solid Waste Agency of Lake County
1311 North Estes Street
Gurnee, IL 60031
Fax Number (847) 336-9374

Chairman
Solid Waste Agency of Lake County
(Same Address)

If to the Township:

Deleted: Village / City

Either party may change the address for notices to such party by written notice to the other. Notice given by personal service shall be effective upon the date delivered, if delivered, or the date of attempted delivery, if refused. Notice given by mail shall be effective on the third business day after posting.

IN WITNESS WHEREOF, the parties have executed this Agreement pursuant to the ordinances or resolutions adopted by the relevant authorities of the respective parties.

**SOLID WASTE AGENCY OF
LAKE COUNTY, ILLINOIS**

TOWNSHIP OF _____

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By _____
Chairman of the Board of Directors

By _____

Attest:

By _____
Secretary

By _____

A – 2. Clean Harbors HCW Contract Extension

ISSUE: Authorize 1 year extension to Clean Harbors Contract #25005

RECOMMENDATION: Approval recommended subject to General Counsel review

TIMING: Important

BACKGROUND: SWALCO uses Clean Harbors Environmental Services (CHES) to conduct the chemical handling and transportation services for our Household Chemical Waste collection program (mobile events and public drop-offs). This contract, originally executed in March of 2005, has a one-year term with four one-year extension options. The current term of the contract expires on March 3, 2009 and therefore requires attention.

To date, staff is satisfied with the services of CHES and recommends exercising the forth and final one-year extension option available under the contract. This extension will secure their services through March 3, 2010. All other terms and conditions remain unchanged.

Upon approval from the Executive Committee, staff will inform the Lake County Purchasing Department to issue a formal contract extension to Clean Harbors Environmental Services for the period March 3, 2009 through March 3, 2010.

Note: This is the last extension available under the contract therefore; SWALCO will have to go out for bid to continue operating our HCW program past March 3, 2010. Based on the quotes received on the 2005 solicitation, and the time that has transpired since, SWALCO should be prepared for a sizable increase in the cost for future HCW services.

FISCAL IMPACT: Organization 930-9200030, Object Code 71150, Consultant Fees – Not-to-exceed \$135,000.

ENCLOSED DOCUMENT: None

STAFF: Steve Nelson, Household Chemical Waste Engineer

A – 3. Lincolnshire-Riverwoods Fire District Host Agreement

ISSUE: Approval of Host Agreement

RECOMMENDATION: Approval recommended subject to general counsel review

TIMING: Routine

BACKGROUND: The Lincolnshire-Riverwoods Fire District (District) approached SWALCO about providing a satellite site that could better accommodate the HCW management needs of the municipalities the District serves (Lincolnshire, Riverwoods and Vernon Hills). The District is interested in this partnership with SWALCO and Lincolnshire because it wants to expand its services, and promote removal of household chemicals that may pose a danger to its employees responding to emergency situations. The location of the proposed HCW satellite collection center is the District's fire station located at 115 Schelter Road in Lincolnshire.

Enclosed for your approval is a draft Host Agreement (Concept Plan included) that has been reviewed by SWALCO's General Counsel. The Host Agreement outlines the intent of the program, scope of services and indemnification provisions and mirrors the Host Agreement we currently have with the Village of Lincolnshire (with modifications specific to the proposed program).

With your approval staff will send the draft Host Agreement to the District for execution at their next Board meeting.

ENCLOSED DOCUMENTS: Draft Host Agreement between SWALCO and the District including the "Concept Plan to establish a HCW satellite collection center".

STAFF: Steve Nelson, HCW Engineer, Walter Willis, Executive Director and Larry M. Clark, General Counsel

CONCEPT PLAN
FOR
ESTABLISHMENT OF A HOUSEHOLD CHEMICAL WASTE
SATELLITE COLLECTION CENTER
AT THE
LINCOLNSHIRE-RIVERWOODS FIRE PROTECTION DISTRICT
FACILITY
AT 115 SCHELTER ROAD, LINCOLNSHIRE, IL

INTENT: Provide residents of Lincolnshire, Riverwoods and Vernon Hills with alternative means to safely and conveniently dispose of their household chemical waste. This program will be advertised on a local basis only by each respective municipality. It is not intended to serve areas beyond these three municipalities.

BENEFITS: Increased accessibility to the HCW Program, improving public safety, reducing environmental impacts on sewage treatment plants.

PROGRAM ADMINISTRATION: Solid Waste Agency of Lake County, IL (SWALCO)

PROGRAM OPERATIONS: Lincolnshire-Riverwoods Fire Protection District (District)

SITE LOCATION: Lincolnshire-Riverwoods Fire Station – 115 Schelter Road, Lincolnshire

OVERVIEW: Residents deliver items to station. Firefighters unload vehicles and place items into onsite HazMat storage cabinets. SWALCO picks up chemicals and transports them back to its facility for packaging and shipment to recycling/reuse facilities.

HRS. OF OPERATION: TBD - Est. Saturdays (2-3 times/month). Est. four hours per day (tentative times are 9 a.m. to 1 pm).

ANTICIPATED VOLUMES: Est. 10-15 cars per event, est. 100-300 lbs of waste per event.

STAFFING: District HazMat trained firefighters.

TRAINING: Customary NFPA firefighter training, specific HCW training (i.e. waste classification, segregation, spill control), and reference list review (i.e. product name & associated hazard class).

SITE CONTROLS: Appointment basis only. HazMat firefighters handle chemicals. No “unknowns” accepted, labeled items only. No business or institutional waste accepted. Items must be on the IEPA list of acceptable items (attached). Items stored in individual HazMat storage cabinets and segregated according to hazard class (flammable, corrosive, poison etc.).

SITE TRAFFIC: Due to the appointment based nature of the program, traffic will not be an issue. All vehicles coming to the event will need to have an appointment and only a limited number of appointments will be scheduled for each collection event. During the beginning months of the program, the number of appointments will be purposefully kept low so that the program can be slowly expanded. The Site Plan shows the proposed flow of traffic at the District's Schelter Road location.

INSURANCE: SWALCO and the District provide insurance coverage subject to the provisions in Section 8 of the Lincolnshire Host Agreement. SWALCO will issue a Certificate of Insurance naming the Village and the facility as additionally insured on our policy.

SITE PLAN: As per IEPA Permit Application

DRAFT
INTERGOVERNMENTAL AGREEMENT
BETWEEN THE LINCOLNSHIRE-RIVERWOODS FIRE PROTECTION DISTRICT
AND THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

WHEREAS, Article V11, Section 10 of the Constitution of the State of Illinois authorizes units of local government to contract and associate among themselves to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or ordinance; and

WHEREAS, the Intergovernmental Cooperation Act, as amended (5 ILCS 220/1 *et seq.*), also authorizes units of local government to exercise and enjoy jointly their power, privileges or authority, and to enter into intergovernmental agreements for that purpose; and

WHEREAS, the Solid Waste Agency of Lake County Illinois (SWALCO) is tasked to implement the Lake County Solid Waste Management Plan (PLAN) as adopted by the Lake County Board on September 12, 1989 and amended from time to time thereafter; and

WHEREAS, the State of Illinois, Environmental Protection Agency ("IEPA") has established a long term Household Hazardous Waste Collection Program pursuant to statutory authority (415 ILCS 5/22.16b(d)); and

WHEREAS, SWALCO has operated a Household Chemical (Hazardous)Waste ("HCW") Program ("PROGRAM") since 1998, continually expanding the service of the PROGRAM by increasing the number of collections and permitting a HCW facility for year round collections; and

WHEREAS, the PLAN encourages the establishment of satellite collection centers for the collection of HCW; and

WHEREAS, the Village of Lincolnshire ("VILLAGE") has previously entered into an Intergovernmental Agreement with SWALCO and the Lincolnshire-Riverwoods Fire Protection District (DISTRICT) with respect to the establishment of a HCW satellite collection center within its municipal limits; and

WHEREAS, SWALCO and the DISTRICT desire to establish a satellite collection center ("SCC") at the DISTRICT'S building located at 115 Schelter Road, Lincolnshire, Illinois.

NOW, THEREFORE, pursuant to the authority granted by the Intergovernmental Cooperation Act, the parties hereby agree to the following terms and conditions:

1. That the recitals have been incorporated by reference into the text of this Agreement.
2. The DISTRICT agrees to abide by and operate the SCC in accordance with all IEPA Permits, the Village of Lincolnshire Host Agreement and pursuant to the Concept Plan as attached hereto in Exhibit A; provided that in the event of a conflict between any IEPA Permit and plan described in Exhibit A, the IEPA Permit shall take precedence.
3. The DISTRICT will collect HCW at the SCC on a periodic basis that is mutually acceptable to both parties. SWALCO will transfer the HCW to be incorporated into its PROGRAM. The PROGRAM is designed to collect HCW only. No business or institutional waste shall be accepted at the SCC. HCW will be accepted only on specific dates and during specific times.

4. SWALCO Responsibilities: SWALCO shall:

- A. At its sole expense, apply for and obtain an IEPA permit for the establishment and operation of SCC to accept and store HCW. No business or institutional wastes shall be accepted at the SCC.
- B. Provide technical support, Program administration and an introductory brochure on the HCW SCC for use by the DISTRICT.
- C. Pick up HCW from SCC in a timely fashion upon receiving notification by the DISTRICT. The HCW collected at the SCC will be incorporated into SWALCO's existing PROGRAM.
- D. Indemnify, defend and hold harmless the DISTRICT, its elected officials, its duly appointed officials, and its employees, agents and representatives from and against all claims, suits, settlements, actions, losses, expenses, damages, injuries, judgments and demands arising from and related to the operation and maintenance of the SCC unless such claims, suits, settlements, actions, losses, expenses, damages, injuries, judgments, and demands are solely due to the negligence or willful conduct of the DISTRICT, its employees or duly authorized agents. The provisions of this paragraph shall survive the termination of this Agreement.
- E. Provide an onsite training session addressing general chemical awareness, health and safety issues and chemical identification for segregation purposes.

5. DISTRICT responsibilities: The DISTRICT shall:

- A. Conduct the SCC operations in accordance with the IEPA permit and Conceptual Plan, renovate the storage closet per the Permit design drawings and provide adequate and qualified staffing levels to accommodate the anticipated turnout, at no cost to SWALCO.
- B. Indemnify, defend and hold harmless SWALCO, its elected officials, its duly appointed officials, and its employees, agents and representatives from and against all claims, suits, settlements, actions, losses, expenses, damages, injuries, judgments and demands arising from and related to the operation and maintenance of the SCC unless such claims, suits, settlements, actions, losses, expenses, damages, injuries, judgments, and demands are solely due to the negligence or willful conduct of SWALCO, its employees or duly authorized agents. The provisions of this paragraph shall survive the termination of this Agreement.

- 6. SWALCO shall not be responsible for, nor take ownership of, any items that are not identified as acceptable wastes.
- 7. The term of this Agreement shall be five (5) years. The Agreement may be renewed for successive five (5) year terms upon express written consent of the parties.
- 8. This Agreement can be terminated by SWALCO or the DISTRICT, for any reason, upon written notification at least 30 calendar days in advance of such termination date. In the event this Agreement is terminated the SCC shall be closed as of the termination date.

Dated this ____ day of _____, 2009

Larry T. Mount, Chairman
Solid Waste Agency of Lake County, Illinois

Fred Kruger, Fire Chief
Lincolnshire-Riverwoods Fire Protection District

A – 4. City of Highwood's Request to be SWALCO Member

ISSUE: Whether to recommend to the SWALCO Board that the City of Highwood be accepted as a member of SWALCO

RECOMMENDATION: To approve recommending to the Board of Directors that Highwood be accepted as a SWALCO member

TIMING: Routine

BACKGROUND: Walter Willis met with City of Highwood officials on January 13, 2009 to discuss the City of Highwood becoming a member of SWALCO. Mr. Willis sent the City a copy of the intergovernmental agreement and explained the various programs and services that SWALCO provides. On February 17, 2009 the City Council voted unanimously to join SWALCO. Highwood has agreed to pay its one-time entry fee of \$5,000 over the next two years and understands its commitment to pay SWALCO's annual O&M fee. If the SWALCO Board votes to allow Highwood to become a member a SWALCO, then the attached ordinance must be approved by a majority of the corporate authorities of SWALCO. You will note that the attached ordinance waives any late fee applicable under the intergovernmental agreement.

ENCLOSED DOCUMENT: Ordinance approving the City of Highwood as an additional SWALCO member.

STAFF: Walter S. Willis, Executive Director

ORDINANCE 2009-001

AN ORDINANCE CONSENTING TO THE CITY OF HIGHWOOD AS AN ADDITIONAL MEMBER OF THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS (SWALCO) WITH NO LATE FEE

WHEREAS, Section 5.3 of the Intergovernmental Agreement establishing SWALCO contains provisions outlining how a Lake County municipal corporation may become an additional member of SWALCO; and

WHEREAS, the City of Highwood, Illinois has requested additional membership in SWALCO pursuant to Section 5.3 of the Intergovernmental Agreement but wishes to avoid the payment of a late fee as described by that Section; and

WHEREAS, the Board of Directors of SWALCO has determined that the purpose of the inclusion of the late fee in Section 5.3 was to encourage the participation of municipalities to enter into said Intergovernmental Agreement from the beginning and prior to the expenditure or commitment of substantial public indebtedness; and

WHEREAS, SWALCO has not yet committed to the expenditure of substantial public indebtedness; and

WHEREAS, the inclusion of the City of Highwood would not substantially affect the planning and implementation process of SWALCO at this point in time; and

WHEREAS, Section 5.3 of the Intergovernmental Agreement provides for the abatement or waiver of said late fee.

NOW, THEREFORE, BE IT ORDAINED, BY THE _____ **AND**

(Mayor/President)
THE _____ **OF THE** _____, **COUNTY OF**
(Council/Board) (City/Village)
LAKE, STATE OF ILLINOIS, AS FOLLOWS:

Section 1. The _____ does hereby grant its consent for the
(City/Village)
City of Highwood, Illinois to become an Additional Member upon the payment of a late
fee in the sum of No Dollars (\$0.00).

Section 2. That the City of Highwood shall make its capital contribution to SWALCO
in the amount of \$5,000.

Section 3. That this Ordinance shall be forwarded to the Secretary of SWALCO upon its
certification at 1131 N. Estes Street, Gurnee, IL 60031.

PASSED AND APPROVED THIS _____ **DAY OF** _____, 2009.

AYES:
NAYES:
ABSENT:

Mayor/President

ATTEST: _____

I – 1. Letter to IEPA Regarding Solid Waste Fee Exemptions

BACKGROUND: One of the key factors regarding the payment of local surcharge fees (per Section 22.15 of the Act) and host fees by Lake County's two landfills is what waste streams are the fees applicable to. It is well documented that Lake County's two landfills take considerable quantities of waste that are "exempt" from the local surcharge per Section 22.15 and 22.44 of the Illinois Environmental Protection Act (156,000 tons and 146,000 cubic yards in 2008). Over the past several years it has become less and less clear to Lake, Will and Ogle Counties what "wastes" are exempt or not under the Act. The purpose of the letter is to gain clarification from IEPA on the exemptions they are allowing per the Act (the State fee has the same waste exemptions as the local fee).

ENCLOSED DOCUMENT: Copy of letter sent to IEPA

STAFF: Walter Willis, Executive Director

February 13, 2009

CERTIFIED MAIL
7099 3220 0007 4798 2795

Mr. Doug Clay, Manager
Division of Land Pollution Control
Bureau of Land
Illinois Environmental Protection Agency
1021 N. Grand Avenue East
P.O. Box 19276
Springfield, IL 62702

Re: Request for Interpretation of Policy Regarding Solid Waste Fee Exemptions

Dear Mr. Clay:

We are writing to request a written interpretation from the Illinois Environmental Protection Agency regarding its policy on whether certain types of waste used as alternate daily cover, road building material and/or intermediate cover are subject to, or exempt from, the payment of state and local Solid Waste Management Fees and Subtitle D fees.

This is an issue of considerable importance which has arisen because of the ever-increasing number of wastes that are being permitted by the Agency as alternate daily cover, road building material, and/or intermediate cover. With the City of Chicago's passage of their 50% C&D debris recycling ordinance, we are seeing an increasing amount of C&D debris disposed of in regional landfills. Much of this waste is coming labeled as other materials which may have temporary beneficial uses at the landfills, but must be managed as waste, disposed of, and still consumes valuable airspace.

It appears that many landfills have taken the position that these materials are not considered to be "waste", and that the landfill need not pay state and local Solid Waste Management Fees and Subtitle D Fees for this material. Some are not even reporting this waste to the Agency as being "received" by the landfill. Additionally, the landfills may not be paying local host fees for the material because the host fees are often based on the same criteria used to determine local surcharge fees. In most cases the landfills are charging the waste generators and haulers to dump these materials at their landfills (although sometimes at a discounted rate or even "free").

This practice obviously has the potential to have a substantial financial impact on the Agency, as well as local units of government who collect fees under Section 22.15 and 22.44 of the Act, and through host agreements with the landfills. It is our belief that the problem will become larger, in terms of the dollars involved, in the near future. It is therefore important that the Agency weigh in on the matter by providing its interpretation of the pertinent statutes and regulations.

In general, our questions are as follows:

(1) How does the Agency determine what types of waste are subject to the fees and which ones are exempt from the fees, and what are the criteria used in the determination?

(2) Are wastes that are used for Alternate Daily Cover Material (ADCM) exempt from the fees solely because they are used as ADCM?

(3) Are alternate intermediate cover materials or road building materials which are waste (i.e. general construction or demolition debris, shredded tires or shredded uncontaminated wood) exempt from fees even if they are ultimately disposed of at the landfill after their use?

More specifically, our analysis has resulted in the following questions:

415 ILCS 5/22.15(k) (Solid Waste Management Fund) states:

"In accordance with the findings and purposes of the Illinois Solid Waste Management Act, beginning January 1, 1989 the fee under subsection (b) and the fee, tax or surcharge under subsection (j) shall not apply to:

- (1) Waste which is hazardous waste; or*
- (2) Waste which is pollution control waste; or*
- (3) Waste from recycling, reclamation or reuse processes which have been approved by the Agency as being designed to remove any contaminant from wastes so as to render such wastes reusable, provided that the process renders at least 50% of the waste reusable; or*
- (4) Non-hazardous solid waste that is received at a sanitary landfill and composted or recycled through a process permitted by the Agency; or*
- (5) Any landfill which is permitted by the Agency to receive only demolition or construction debris or landscape waste."*

The exemptions listed in 415 ILCS 5/22.44(c) (Subtitle D Management Fund) are virtually identical to those listed in Section 22.15(k).

Regarding number 2 above, "pollution control wastes", other than looking at the definition in Section 3.335 of the Act, are there certain criteria that the Agency uses to decide if a particular waste is or is not a "pollution control waste"? If so, what are they?

Regarding number 3 above, "waste from recycling, reclamation or reuse processes...", could you provide a list of facilities or processes which have been "approved by the Agency as being designed to remove any contaminant from waste so as to render the wastes reusable, provided that the process renders at least 50 percent of the waste reusable"? Also,

- Is the use of a type of waste for alternate daily cover material at a landfill considered recycling, reclamation or reuse?

Examples: foundry sand, ash based material, shredded C&D debris, shredded tires or clean asphalt roof shingles.

- Does this exemption for “waste from recycling, reclamation, or reuse processes...” include the material being recycled? In other words, is the exemption only for the by-product (the less-than 50% of what can’t be recycled), or can it include the material that is supposedly being recycled?

Example: Shredded Construction and Demolition Debris (SCDD) coming from recycling facilities in the Chicago area which are approved by the Agency and being disposed of at a landfill.

- What if the shredded material is part of the 50% which they are calling recycled, and not the waste generated as a result of the recycling process?
- If this same material (the 50% being “recycled or reused”) was used for road base or ADCM, would it then be exempt from state and local fees?

In that connection, 415 ILCS 5/22.38(c) states:

"recyclable general construction or demolition debris" means general construction or demolition debris that has been rendered reusable and is reused or that would otherwise be disposed of or discarded but is collected, separated, or processed and returned to the economic mainstream in the form of raw materials or products. "Recyclable general construction or demolition debris" does not include general construction or demolition debris processed for use as fuel, incinerated, burned, buried, or otherwise used as fill material .

This section appears to suggest that “recyclable general construction or demolition debris” does not include material which goes to a landfill and is “buried, or otherwise used as fill material,” as in the use of shredded C&D debris used for ADCM, road base, or alternate intermediate cover, which is buried and used for fill material. This material also has not been “returned to the economic mainstream in the form of raw materials or products.”

Regarding number 4 above, “Non-hazardous solid waste that is received at a sanitary landfill and composted or recycled through a process permitted by the Agency,” what does the latter part “recycled through a process permitted by the Agency” mean? Can you provide some examples of processes that are permitted by the Agency for recycling solid waste received at a landfill?

In determining all of the above, does it matter whether or not a landfill charges a tipping fee (not the state or local fees), or a reduced fee for the waste? If they accept the waste for free and use it for ADCM, intermediate cover, or road base, would that have any bearing on whether or not state and local fees should be assessed on the waste? What if they paid a nominal fee for the waste for the above uses?

We have attached a spreadsheet which lists materials which are currently accepted for use as Alternate Daily Cover Material, intermediate cover, road subbase or base, or amendments to the final protective cover at landfills in Northern Illinois. Which of these types of waste would be considered exempt by the Agency from the state and local fees and why?

Construction and demolition debris comprise 20-35 percent of all the solid waste generated in the five-county Chicagoland area, according to the Illinois Construction and Demolition Site Recycling Handbook published by the Illinois Department of Commerce and Community Affairs in 1997. The diversion of as much of this waste as possible from state landfills is critical to prolonging Illinois landfill disposal capacity.

Exempting the materials discussed in this letter from payment of state and local surcharge fees if used beneficially at a landfill has resulted in more waste being hauled to landfills rather than being recycled. This seems contrary to the City of Chicago's C&D recycling ordinance and the Illinois Solid Waste Management Act, which we believe are intended to divert waste from landfills.

For example, the exemptions in 415 ILCS 5/22.15(k) are supposed to be "in accordance with the Illinois Solid Waste Management Act", which states (415 ILCS 20/2(b)) that:

"It is the purpose of this Act to reduce reliance on land disposal of solid waste, to encourage and promote alternative means of managing solid waste, and to assist local governments with solid waste planning and management. In furtherance of those aims, while recognizing that landfills will continue to be necessary, this Act establishes the following waste management hierarchy, in descending order of preference, as State policy:

- (1) volume reduction at the source;*
- (2) recycling and reuse;*
- (3) combustion with energy recovery;*
- (4) combustion for volume reduction;*
- (5) disposal in landfill facilities."*

Disposal at landfills is the last management option listed, meaning the least desired of all options. We believe sending waste to landfills to be used as alternate/intermediate daily cover or road base is not recycling or reusing the waste. It is disposing of it in a manner which may be temporarily beneficial to the landfill. This waste (even if the

landfills don't call it that) is still regulated as waste and consumes airspace in state landfills.

Although Delegated Counties may not have the responsibility to monitor the payment of fees to the State, in many cases, local fees and surcharges may be impacted by the Agency interpretation of which wastes should be assessed the fees. Clarification on how the Agency determines this would be most helpful. We would be happy to discuss this with you further.

Sincerely,

Stephen J. Rypkema, Director
Ogle County Solid Waste Management Dept.
909 W. Pines Road
Oregon, IL 61061
815-732-4020

Walter S. Willis, Executive Director
Solid Waste Agency of Lake County
1311 N. Estes Street
Gurnee, Illinois 60031
847-336-9340

Dean Olson, Waste Services Manager
Will County Land Use Department
Waste Services Division
58 East Clinton Street - Suite 500
Joliet, IL 60432
815-727-8834

Enclosure

Are These Types of Waste Exempt from State & Local Landfill Fees?				
Type of Waste		Exempt from State & Local Surcharge Fees?	Why?/ Notes	Reduced or No Tipping Fee charged by landfill?
ADCM				
Example:	Petroleum - contaminated soils	Yes	415 ILCS 5/22.15(k)(2) - Pollution control waste	
a	Petroleum - contaminated soils			Reduced
b	Contaminated soils			May be reduced
c	Used foundry sand			May be reduced
d	End-product compost			Reduced
e	Processed landscape waste			Free
f	Clean construction or demolition debris			Free
g	Ash -based material			Reduced or free
h	Reject paper pulp			Reduced or free
i	Shredded tires			Reduced
j	Ladle debris			Reduced
k	De-inking sludge			Reduced
l	Clean processed asphalt roof shingles			Reduced
n	Dewatered municipal and industrial sludge			Reduced
o	Stabilized metals-contaminated soil			Reduced
p	Non-hazardous PCB-contaminated soil			Reduced
q	Air dried sludge from Chicago Metropolitan Reclamation District of Greater Chicago			Very reduced
r	Lime sludge			?
s	Shredded construction & demolition debris			Reduced or free

<u>Material Used for Road Sub base or Base</u>				
a	General construction or demolition debris			Free
b	Shredded uncontaminated wood			Free
c	Approximate 2 inch diameter wood chips			Free
d	Approximate 2 inch diameter shredded tire chips			Reduced or free
<u>Intermediate Cover and Amendment to Final Cover</u>				
a	Air dried sludge from the Metropolitan Reclamation District of Greater Chicago			Free

I – 2. Legislative Update

BACKGROUND: As the attached summary from Mr. Kolkmeier shows, SWALCO is actively supporting two key pieces of legislation – SB 125 (C&D recycling facilities) and SB 99 (food scrap composting). These bills address two of our state level legislative policy initiatives. We are also following HB 266 very closely and will likely be taking a position on the bill shortly. Walter Willis will be attending a meeting with the IEPA and the sponsors of the bill on February 11, 2009. This bill is important to the development of C&D recycling facilities in Lake County (and the rest of Illinois) because it will allow them to meet the 75% diversion requirement in Section 22.38 of the Illinois Environmental Protection Act.

ENCLOSED DOCUMENTS: Copy of Kip Kolkmeier's update report

STAFF: Walter Willis, Executive Director

HB 266**Committee Hearing:**

Environment & Energy Committee Hearing Feb 10 2009 2:00PM Capitol Building Room 118
Springfield, IL

Comment:

Neutral

Short Description: RECYCLING-WOOD COMBUSTION

House Sponsors

Rep. William Davis

Synopsis As Introduced

Amends the Environmental Protection Act. Specifies that the term "recyclable general construction debris" includes clean wood that is segregated from general construction or demolition debris and that is processed for use as fuel. Amends the Illinois Solid Waste Management Act. Provides that "recycling" includes "the combustion of wood or biomass fuel for energy recovery". Specifies that "the combustion of wood or other biomass fuel for energy recovery shall not be considered 'recycling' for grant or incentive programs administered by the Department." Imposes conditions on rulemaking authority. Effective immediately.

Last Action

Date	Chamber	Action
2/4/2009	House	Assigned to Environment & Energy Committee

HB 334**Committee Hearing:**

Environmental Health Committee Hearing Feb 10 2009 3:30PM Capitol Building Room 115
Springfield, IL

Short Description: PLASTIC BAG RECYCLING-GROCERS

House Sponsors

Rep. Jack D. Franks

Synopsis As Introduced

Creates the Grocers' Mandatory Plastic Bag Recycling Act. Requires the owner of each grocery store in Illinois to implement a plastic bag recycling program within 90 days after the effective date of this Act. Requires the plastic bag recycling program to (i) facilitate the return and recycling of plastic bags that the grocery store has distributed to consumers, (ii) provide for the placement of a plastic bag collection bin in each store at a location that is visible and easily accessible to consumers, (iii) provide for the marking of each plastic bag collection bin in a manner that indicates to consumers that the collection bin is being made available by the grocery store for the purpose of collecting and recycling plastic bags that it has distributed to consumers,

and (iv) make arrangements for the pick-up, transport, and recycling of plastic bags that were distributed to consumers by the grocery store and later deposited into its plastic bag collection bin. Imposes civil penalties for violations. Defines "consumer", "distributed to consumer", "food products", "grocery store", "plastic bag", and "purchase at retail". Repeals the Plastic Bag Recycling Act. Effective immediately.

Last Action

Date	Chamber	Action
2/4/2009	House	Assigned to Environmental Health Committee

HB 346

Committee Hearing:

Environment & Energy Committee Hearing Feb 10 2009 2:00PM Capitol Building Room 118
Springfield, IL

Comment:

Neutral

Short Description: EPA-CONSTRUCTION DEBRIS

House Sponsors

Rep. Thomas Holbrook

Synopsis As Introduced

Amends the Environmental Protection Act. Defines "Tier 1 construction or demolition debris soil". Provides that a "pollution control facility" includes any site or facility at which Tier 1 construction or demolition debris soil is accepted or deposited as fill material. Provides that the Illinois Environmental Protection Agency may, by intergovernmental agreement, develop a special authorization for the removal and reuse of soil from and to sites within the corporate boundaries of a municipality with a population in excess of one million. Specifies the terms and requirements of the intergovernmental agreement. Specifies certification requirements for the use of contaminated soil as fill material in a quarry, mine, or other excavation. Provides that owners and operators of Tier 1 construction or demolition debris soil fill operations must develop and implement a receipt control plan and engineered control plan for construction or demolition debris soil used as fill material. Specifies the requirements of the receipt control plan and engineered control plan. Specifies the notice requirements for an intergovernmental agreement. Effective immediately.

Last Action

Date	Chamber	Action
2/4/2009	House	Assigned to Environment & Energy Committee

HB 350

Committee Hearing:

Environment & Energy Committee Hearing Feb 10 2009 2:00PM Capitol Building Room 118
Springfield, IL

Short Description: EPA-NPDES PERMIT FEE PAYMENT

House Sponsors

Rep. Jil Tracy

Synopsis As Introduced

Amends the Environmental Protection Act. Provides that the Environmental Protection Agency shall (now, "may") adopt rules to administer the NPDES permit fee program. Provides that the Agency shall, at a minimum, include provisions pertaining to an annual payment schedule and an interest-free quarterly payment schedule. Effective immediately.

Last Action

Date	Chamber	Action
2/4/2009	House	Assigned to Environment & Energy Committee

SB 99

Comment:

Support

Short Description: EPA-COMPOSTING FACILITIES

Senate Sponsors

Sen. Heather Steans-Pamela J. Althoff-James F. Clayborne, Jr.-John M. Sullivan

Synopsis As Introduced

Amends the Environmental Protection Act. Redefines the term "compost" to mean compostable material that has, by composting, decomposed to the degree that it will not, when subjected to optimal thermal conditions and optimal levels of oxygen, moisture, and nutrients, reheat significantly due to the action of microorganisms, and that is also suitable (i) for use as a soil conditioner, (ii) for use as a cover material for a municipal solid waste landfill, or (iii) for another use approved by the Agency (now, the humus-like product of the process of composting waste, which may be used as a soil conditioner). Redefines the term "composting" to mean the decomposition of compostable material into compost by a biological process that produces carbon dioxide and water as primary by-products (now, the biological treatment process by which microorganisms decompose the organic fraction of waste, producing compost). Excludes food scrap from the definition of the term "garbage". Exempts certain types of facilities, sites, portions of facilities, and portions of sites from regulation as pollution control facilities. Defines "compostable material" and "food scrap". Effective immediately.

Last Action

Date	Chamber	Action
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2/4/2009	Senate	Assigned to Environment
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SB 125

Comment:

Support

Short Description: EPA--DEBRIS--POPULATION REQ.

Senate Sponsors

Sen. Terry Link

Synopsis As Introduced

Amends the Environmental Protection Act. Excludes the portion of a site or facility accepting exclusively general construction debris, located in a county with a population over 500,000 (now, 700,000) from regulation as a pollution control facility. Effective immediately.

Last Action

Date	Chamber	Action
1/30/2009	Senate	Referred to Assignments

SB 198

Short Description: BOTTLE DEPOSIT ACT-TECH

Senate Sponsors

Sen. Martin A. Sandoval

Synopsis As Introduced

Creates the Bottle Deposit Act. Contains only a short title.

Last Action

Date	Chamber	Action
2/3/2009	Senate	Referred to Assignments

Totals: 7 - (House Bills: 4) (Senate Bills: 3) (Other Bills: 0)

I – 3. Recycling Guidelines Initiative

BACKGROUND: Staff is developing a list of guidelines that members can utilize to educate their residents in regards to what items are considered acceptable in their curbside recycling. These guidelines are being developed to be a definitive source of information for Lake County residents to assist in clarifying some of the misleading and/or outdated information that has been circulating in the public domain. Staff anticipates that each member will be able to utilize this information in either a published or web-based format. The information will also be provided to the waste hauling community with the recommendation that they utilize the information in their education efforts.

This is to be the first step in a reeducation campaign that is intended to encourage residents to recycle more while reducing the amount of non-acceptable materials that are often found in the residential recycling stream.

Future efforts will focus on the development of a power point presentation and video presentation which members may utilize within their communities to enhance their education efforts.

ENCLOSED DOCUMENTS: Draft - Lake County Residential Curbside Recycling Guidelines.

STAFF: Peter Adrian, Recycling Coordinator

**SWALCO MEMBERS
WASTE HAULING CONTRACTS
PENDING RENEWAL**

<u>MEMBER</u>	<u>CONTRACT END DATE</u>	<u>WASTE HAULER</u>
Round Lake	September 1, 2007	Waste Management
Highland Park	September 1, 2007	Veolia
Park City	September 30, 2007	Mundelein Disposal
Lake Zurich	September 30, 2007	Waste Management
Winthrop Harbor	September 30, 2007	Veolia
Hainesville	November 30, 2007	Veolia
Round Lake Park	March 8, 2008	Veolia

I – 4. Project and Program Updates

BACKGROUND: The following are updates on several projects and programs we are currently working on:

1. Walter Willis met with Barry Burton and Gary Gordon on February 5, 2009 regarding the status of the landfill surcharge fund surplus. Barry and Gary agreed that the surcharge fund balance should be transferred to an account controlled by SWALCO. We also agreed that this transfer of funds, and the revised host agreements with Veolia and WMI should all be brought to the same county board meeting for action (along with the county rescinding its local surcharge ordinance and SWALCO enacting its own ordinance to collect the local surcharge). This will likely occur in the summer and still needs County Board approval.
2. SWALCO and Lake County sent our last round of changes to the host agreement to Veolia on January 6, 2009. We have sent them several emails asking for a response and/or to schedule another meeting. To date, we have not received any comments from Veolia on our proposed revisions and no dates have been offered for a meeting. The proposed amendment to the host agreement with WMI is still awaiting comment from WMI as well.
3. HDR has completed a draft memo regarding the odor problem at the Countryside LF. The memo has been sent to WMI for its review and a meeting has been scheduled for February 20th at the Countryside LF. Barry Burton, Mike Ellis and Walter Willis will be attending the meeting (along with HDR) with WMI. We expect the memo to be released to the public shortly after the meeting with WMI.
4. Walter Willis spoke with Mayor Hyde of Waukegan on January 28, 2009 regarding Waukegan's membership status in SWALCO. Mayor Hyde said he would arrange for Walter to attend the Public Works Committee meeting in March 2009.
5. O&M payments for 2009 have been received from all SWALCO members (not including Waukegan).
6. The County has created for SWALCO a separate Capital Replacement Fund and transferred \$120,000 into the fund. This addresses the action item approved by the Executive Committee at its December 2008 meeting.
7. The first meeting of the Citizens Advisory Committee was held on January 28, 2009. All but three members of the CAC attended the meeting. The first meeting was general in nature and addressed the role of the CAC in the Plan Update process, and an overview of the existing 2004 Plan Update recommendations. The next meeting of the CAC will be on February 25, 2009 at 6:30 pm at SWALCO's office. An informational board item will be prepared on the outcome of the February CAC meeting and presented at the Executive Committee meeting in March.
8. SWALCO was recently notified by the company we obtained our copier from that we never paid for the copy machine. We have been making our monthly maintenance agreement fees. The company and SWALCO are working out a payment plan that will include making monthly payments this fiscal year and then making two lump sum payments over the next two fiscal years. This is something we will have to address during our budgeting process.

STAFF: Walter Willis, Executive Director